



# Unlocking Funding and Finance for Urban Green Spaces

*Thursday 28 November 2024*



National Trust

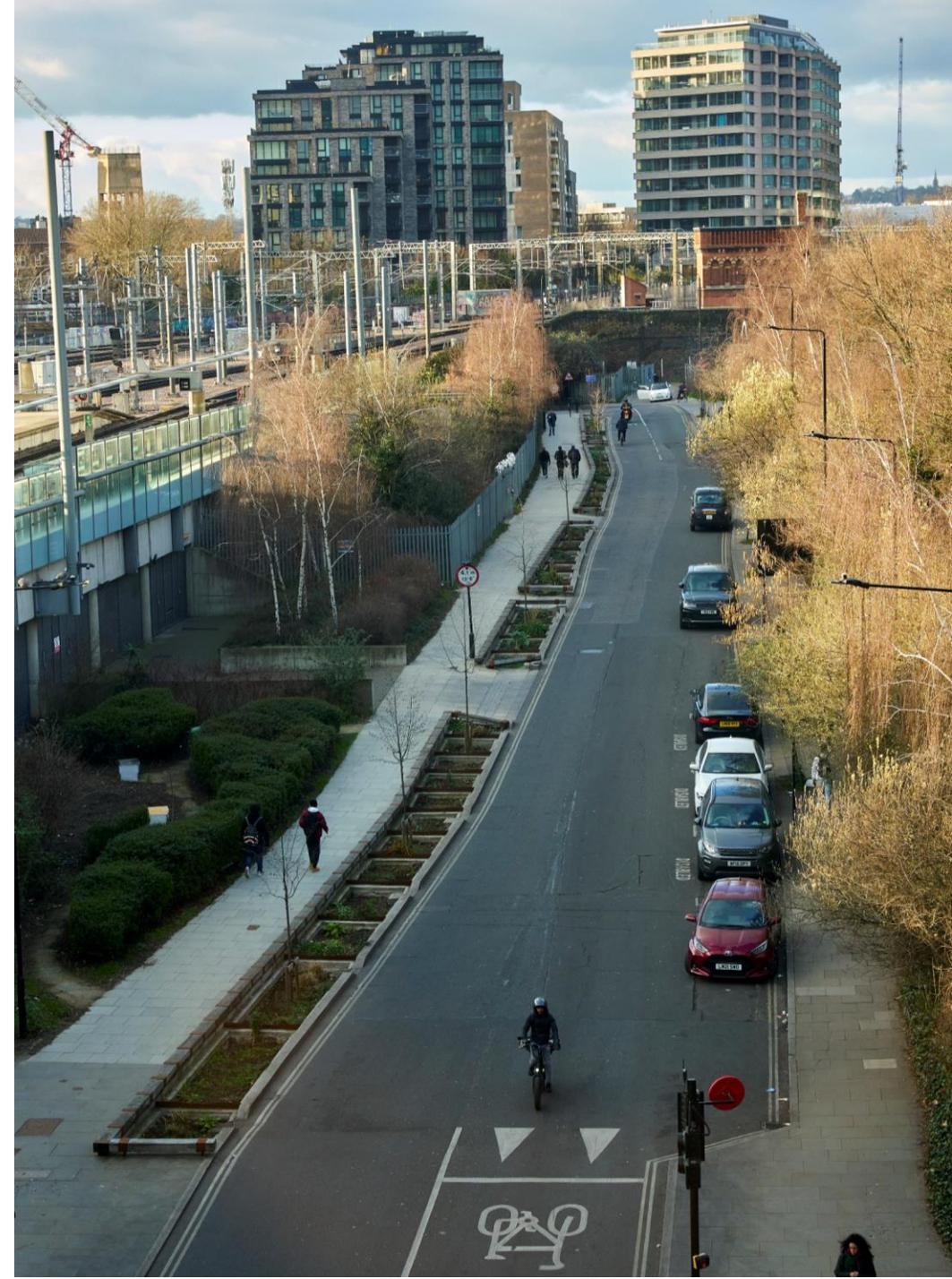


Heritage  
Fund



# Agenda

13:30-13:35	Welcome and Housekeeping
13:35-13:45	Introduction to green funding and finance
13:45-14:05	<b>Plymouth City Council:</b> Chris Avent
14:05-14:25	<b>Urban Biodiversity Standard:</b> Sara Eppel
14:25-14:55	Panel Discussion
15:55-15:00	Close and Next Steps



## Helpful Information

- Please submit **questions** for the panel using the Q&A feature throughout the presentations.
- **Automatic captioning** is turned on, you can adjust this in the settings at the bottom of your screen.
- If you have any **technical questions** or issues, please let us know the details in the chat and we can help you.
- This session is being **recorded** and will be available via our website in the coming days.

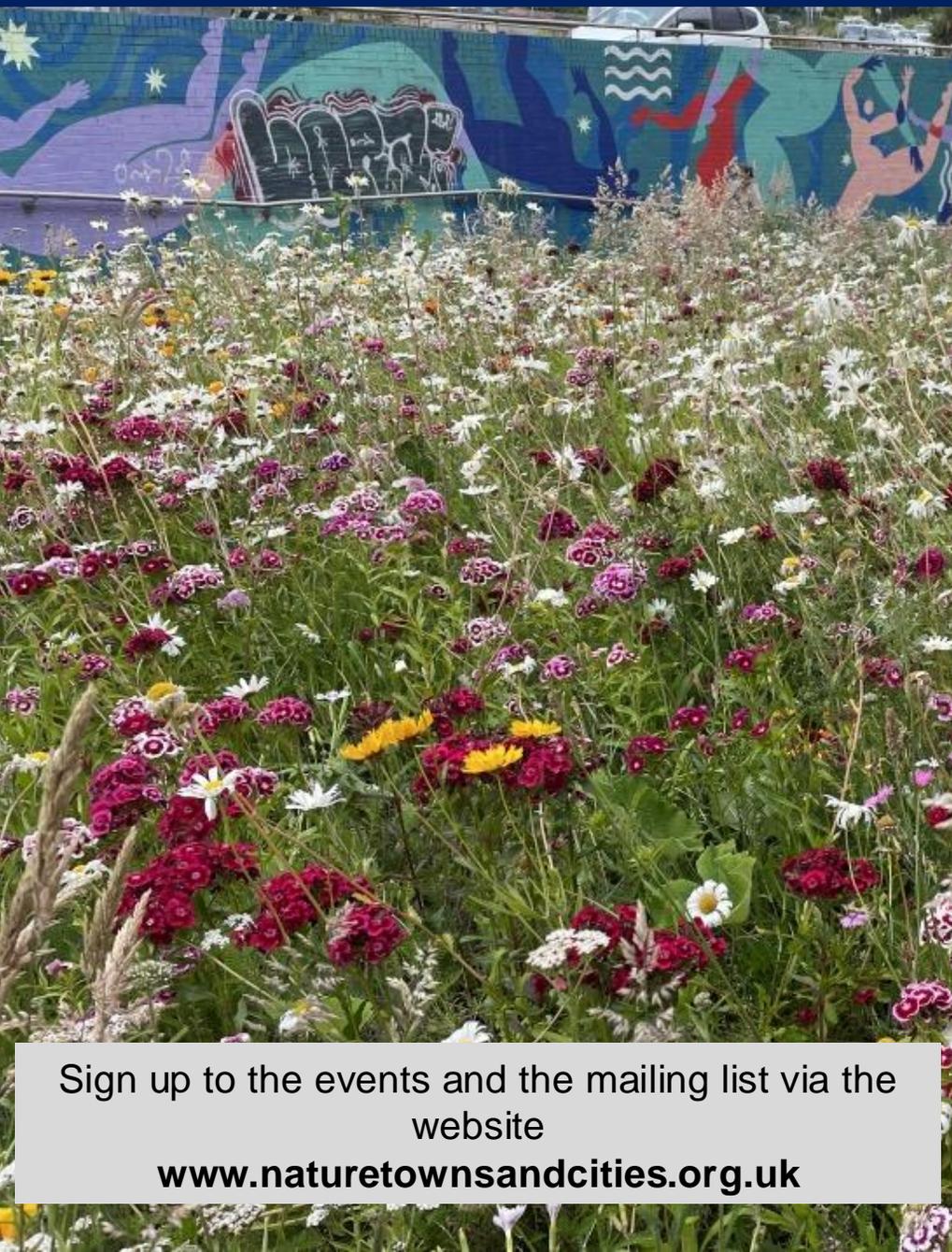


# What is Nature Towns & Cities



- A programme to help 100 towns and cities across the UK transform access to green space
- Overall goal is for millions more people to be able to enjoy time outdoors in nature close to home
- Help address the challenges facing towns and cities in C21<sup>st</sup>
- Create greener, fairer, healthier and more connected towns, cities and neighbourhoods
- Access support to put green infrastructure at the heart of future plans, priorities and investment
- Unlock further investment to help councils and communities achieve their ambitions
- Founded by National Lottery Heritage Fund, Natural England & National Trust
- Working closely with NatureScot, Natural Resources Wales & Northern Ireland Environment Agency.
- This is an invitation to join in, shape it, lead for change

# Inclusive Network



Sign up to the events and the mailing list via the website

[www.naturetownsandcities.org.uk](http://www.naturetownsandcities.org.uk)

Designed to build confidence, capability and connection

Open to all, and free to be a member.

- Provide access to knowledge and successful solutions
- Connect with experienced professionals
- Enable collaboration and partnership
- Access to specialist support and advice to solve problems and unlock opportunities
- Help to lead for change, tap into collective wisdom
- Part of something bigger

For local government, community organisations, charities and professionals across the UK.

You'll be helped by your peers, sharing what works and able to take part in varied programme of events, cohort activities and training, a library of resources, as well as tailored support.

This is an open invitation to join the Nature Towns and Cities Network.

# Unlocking Funding and Finance for Urban Green Spaces



1939, the median size of a neighbourhood's nearest park was around 61,500 m<sup>2</sup>. The equivalent figure for developments dominated by post-2000 housing is 36,200 m<sup>2</sup> – a 40% decline.

New Economics Foundation 2022.

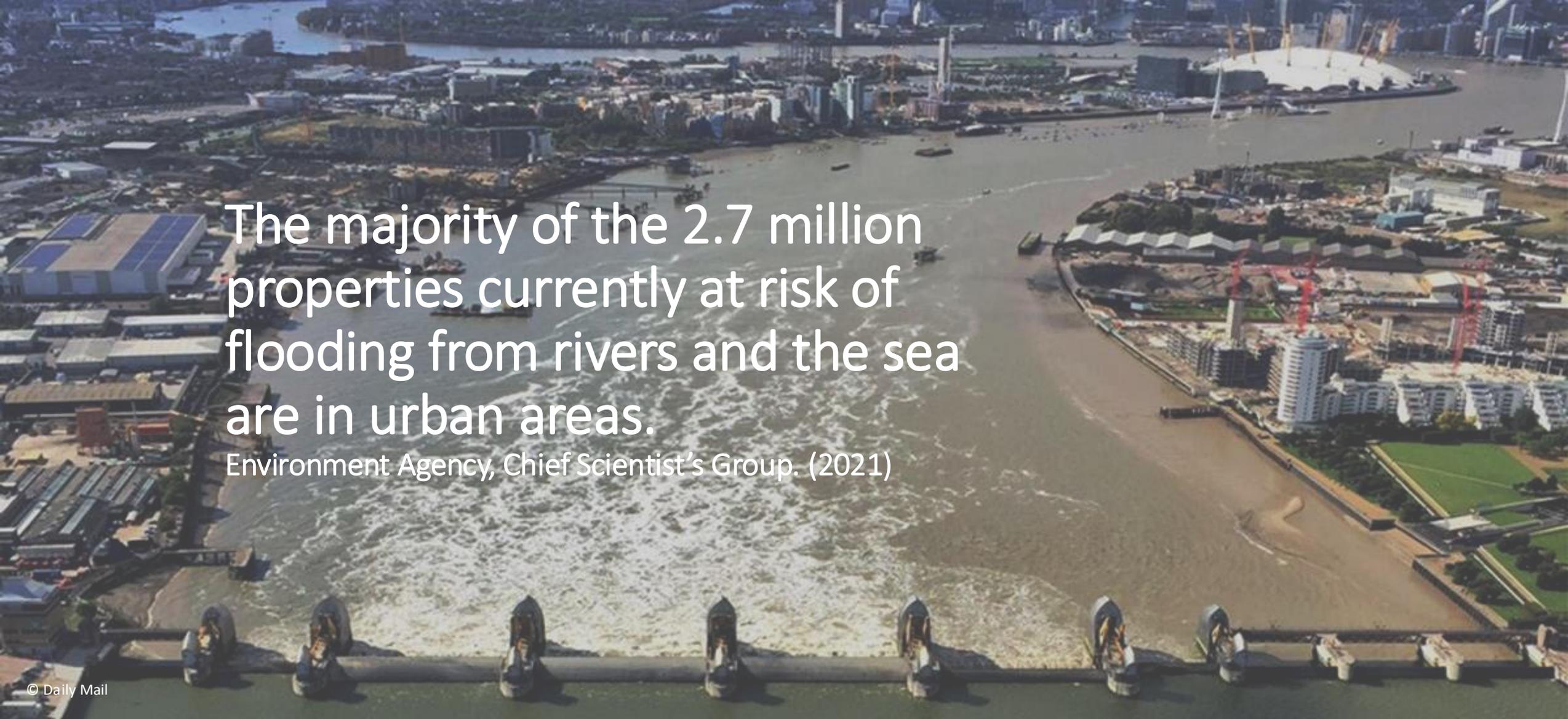
© Phyllis Nicklin



It is estimated that the proportion of England's urban areas made up of green space declined from 63% in 2001 to 55% in 2018 (Committee on Climate Change. (2019).

© Mylo Kaye



An aerial photograph showing a wide river flowing through a densely populated urban area. The water is murky brown, indicating high sediment or floodwater. In the foreground, a concrete wall with several small, arched openings runs across the frame. The background shows a mix of industrial buildings, residential areas, and a large white dome-shaped structure, possibly a stadium, on the right bank. The sky is clear and blue.

The majority of the 2.7 million properties currently at risk of flooding from rivers and the sea are in urban areas.

Environment Agency, Chief Scientist's Group. (2021)

© Daily Mail





2 out of 3 people don't have access to even a small area of amenity greenspace (0.5ha) within 200m of home.

Natural England's unpublished Green Infrastructure mapping (2021)

© BBC News



There is extensive empirical evidence of the association between exposure to nature and physical health.

Natural England Evidence Information Note EIN066, 2022.

© blvdone



Mental ill health is the single largest cause of disability in the UK, contributing up to 22.8% of the total burden.

No health without mental health. Department of Health

© blvdone



# Legislative mechanisms in the 2021 Environment Act offer new ways to increase the quantity and quality of urban green space.

Natural England written submission to the EFRA Select Committee, 2024.

© Dave Wood





# Opportunity #1: Implementing Green Finance Solutions





Draft outcomes by 2034:

- **Habitat Banking Toolkit**
  - Maximising the benefits of BNG income
  - Transforming a cost centre into a profit centre
  - Education material
  - How to Resources
  - Learning Hub
- **Future solutions - learning and development modules:-**
  - Trees
  - Retrofit
  - Flood/SUDS
  - Health
  - Social



# Opportunity #2 New Product Innovation

© Garden Visit



# Example Token: Climate Bundle



Overview	A token that is based on interventions to sequester carbon, alleviate urban heat island effects and reduce flooding risk.
Make-up	<ul style="list-style-type: none"><li>• Climate resilient tree canopy</li><li>• Tree based Sustainable Urban Drainage</li><li>• General urban tree planting</li></ul>
Verification and Validation with Code	<ul style="list-style-type: none"><li>• Yes</li></ul>
Typical Urban Greening Factor (UGF)/m2	<ul style="list-style-type: none"><li>• 0.4 UGF/m2</li></ul>

# Example Token: Wellbeing Bundle



<b>Overview</b>	<b>A token that is based on interventions that give both wellbeing benefits (stress reduction, cognitive performance) and health benefits (mental health, physical health)</b>
<b>Make-up</b>	<ul style="list-style-type: none"><li>• Parks and greenspaces</li><li>• Connected Green Spaces</li><li>• Outdoor classrooms</li><li>• Green Community Hubs</li></ul>
<b>Verification and Validation with Code</b>	<ul style="list-style-type: none"><li>• Yes</li></ul>
<b>Typical Urban Greening Factor (UGF)/m2</b>	<ul style="list-style-type: none"><li>• 0.35 UGF/m2</li></ul>

# Innovative models and mechanisms

- Port established finance mechanisms to the Urban environment (e.g. tree planting, flood prevention).
- Support a growing ecosystem of Urban greening advocates to flourish.
- Establish Urban Greening Codes that are complimentary with BSI nature standards and build broad coalition of support for them, across UK.
- Catalyse Urban greenspace outcomes bundles (e.g. street greening, water, climate, health).
- Encourage Urban greenspace tokens

The screenshot shows the BSI website interface. At the top, there is a navigation bar with the BSI logo on the left and a 'Contact Us' button on the right. Below the navigation bar, there are several menu items: 'Our Expertise', 'Industries', 'Capabilities', 'Products & Services', 'Insights & Media', and 'About Us'. The 'Insights & Media' menu is expanded, showing sub-items: 'Case Studies', 'Whitepapers', 'Blogs', and 'Brochures'. The main content area features a large image of a lush green landscape with rolling hills and a river. To the right of the image, the text reads: 'Standard Document', 'Flex Standard', and 'BSI Flex 701 Nature Markets - Overarching Principles and Framework'. Below this text is a 'Download Standard' button. At the bottom of the page, there is a 'Share:' section with icons for LinkedIn, Facebook, and X.

Share: [in](#) [f](#) [X](#)



Opportunity # 1: Chris Avent  
Opportunity # 2: Sara Eppel

© WKXCT'S





**Ocean City Nature: Generating dividends for people, places, and nature**



# Ocean City Nature

## Generating dividends for people, place and nature



1. Taking a systems leadership approach
2. Creating a vision
3. Opportunity assessment
4. Habitat Bank development
5. Key Learning
6. Areas in development



# Ocean City Nature – Plymouth City’s Council green finance vehicle

## Vision: Creating a resilient, accessible, natural environment across the city

A replicable, scalable funding ecosystem for investment in green and blue assets and sustainable enterprises delivered through a public-facing entity delivering direct environmental benefits, vital services, boosts to the local economy, a sense of place  
 - all catalysing further innovation.

		
<p align="center"><b>Creating a Nature Rich City</b></p> <p>Protecting, restoring, creating and connecting accessible blue and green habitats and ecosystems, valuing wildlife to combat the climate and biodiversity crises</p>	<p align="center"><b>Supporting Thriving and Empowered Communities</b></p> <p>Supporting quality of life, stewardship , local decision making, physical and mental health and wellbeing, community cohesion, sustainable transport, skill development, employment, safety and nature connection.</p>	<p align="center"><b>Recognising Value from Ecosystem Service Delivery</b></p> <p>Managing green and blue spaces to generate sustainable financial revenue streams that protect the environment and inspiring new investment into the city that grows the local economy and nature protection</p>



# Integration is essential

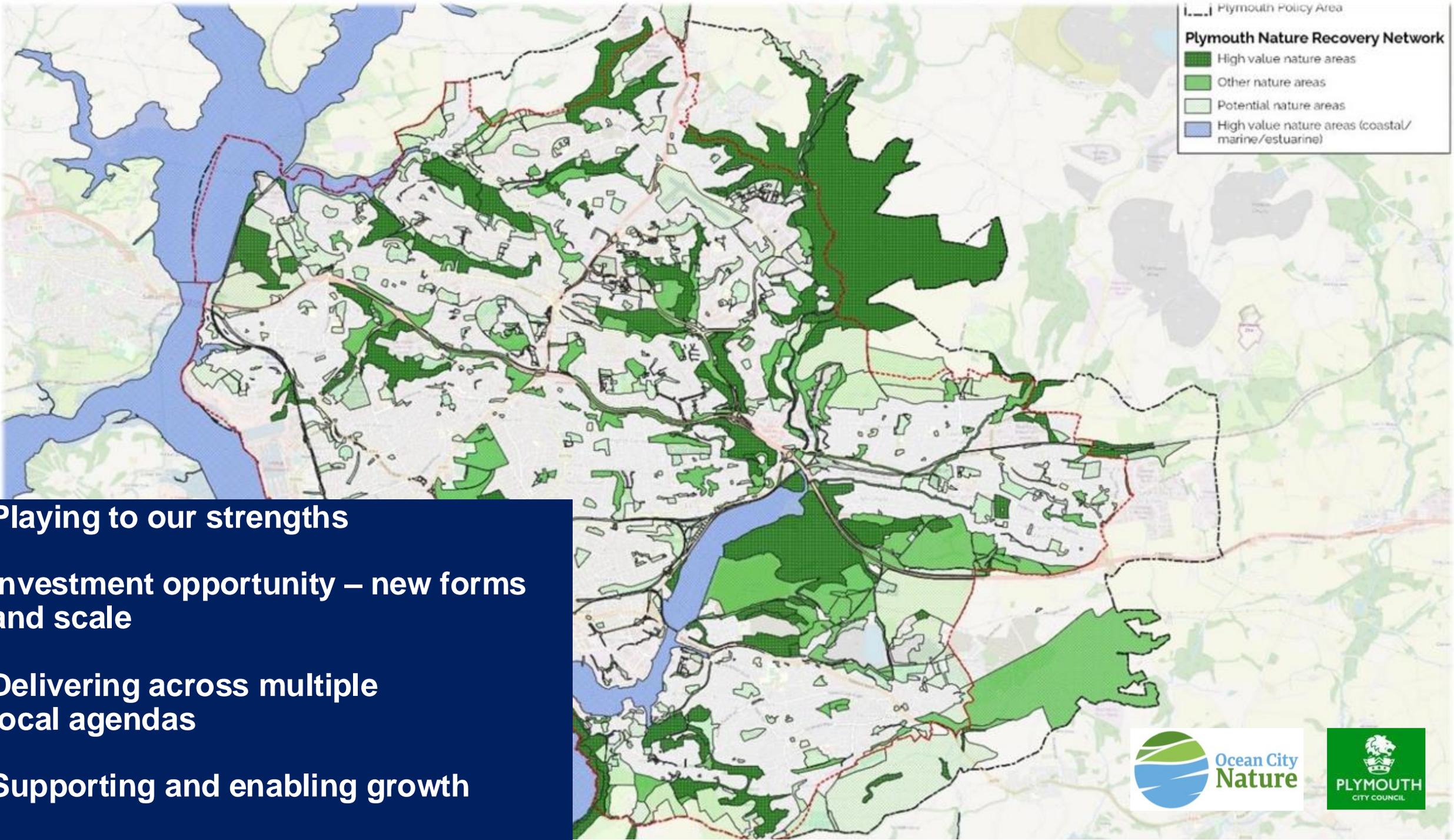


Green and blue spaces deliver multiple services for urban environments and support sustainable growth:

## Benefits

- Health and well-being
- Attainment and skills development
- Climate resilience
- Attractive place for investment.
- Active transport routes.
- Social cohesion

Multiple Benefits = Great value investment



**Playing to our strengths**

**Investment opportunity – new forms and scale**

**Delivering across multiple local agendas**

**Supporting and enabling growth**



# Taking a Systems Leadership approach to delivering nature-based solutions

## Key workstreams – Asset focused

- Mapping and data – developing digital assets
- Policy hooks and tools – setting clear strategy
- Stakeholders - from across communities in the city
- Skills - Creating a 21st Century parks and nature recovery workforce
- **Sustainable Finance** - Innovation and building from our **starting point**. Reliant on funding model incorporating and being creative with grants, S106 and core revenue funds to maximise impact.



**Our challenge:**

**How to evolve and sustain this work?**

# Establishing a vision

## Nature Investment - Our City Vision

***Plymouth, Britain's Ocean City – Pioneering a city-wide approach to urban nature to support delivery of the City vision and meet environmental challenges head on. This will be achieved by:***

- Integrating nature as key mechanism for achieving an outstanding quality of life for all, enabling a high-quality natural environment to support and enhance people's health and well-being.
- Activating spaces and empowering communities to be part of the movement and have pride in their places.
- Ensuring Plymouth is working with nature to reduce carbon, become resilient to the unavoidable impacts of climate change and ensures no one is left behind.
- Leading the way in developing and integrating green financing and new funding models to deliver nature-based solutions that benefit people, planet and place.
- Delivering for Plymouth, inspiring nationally.

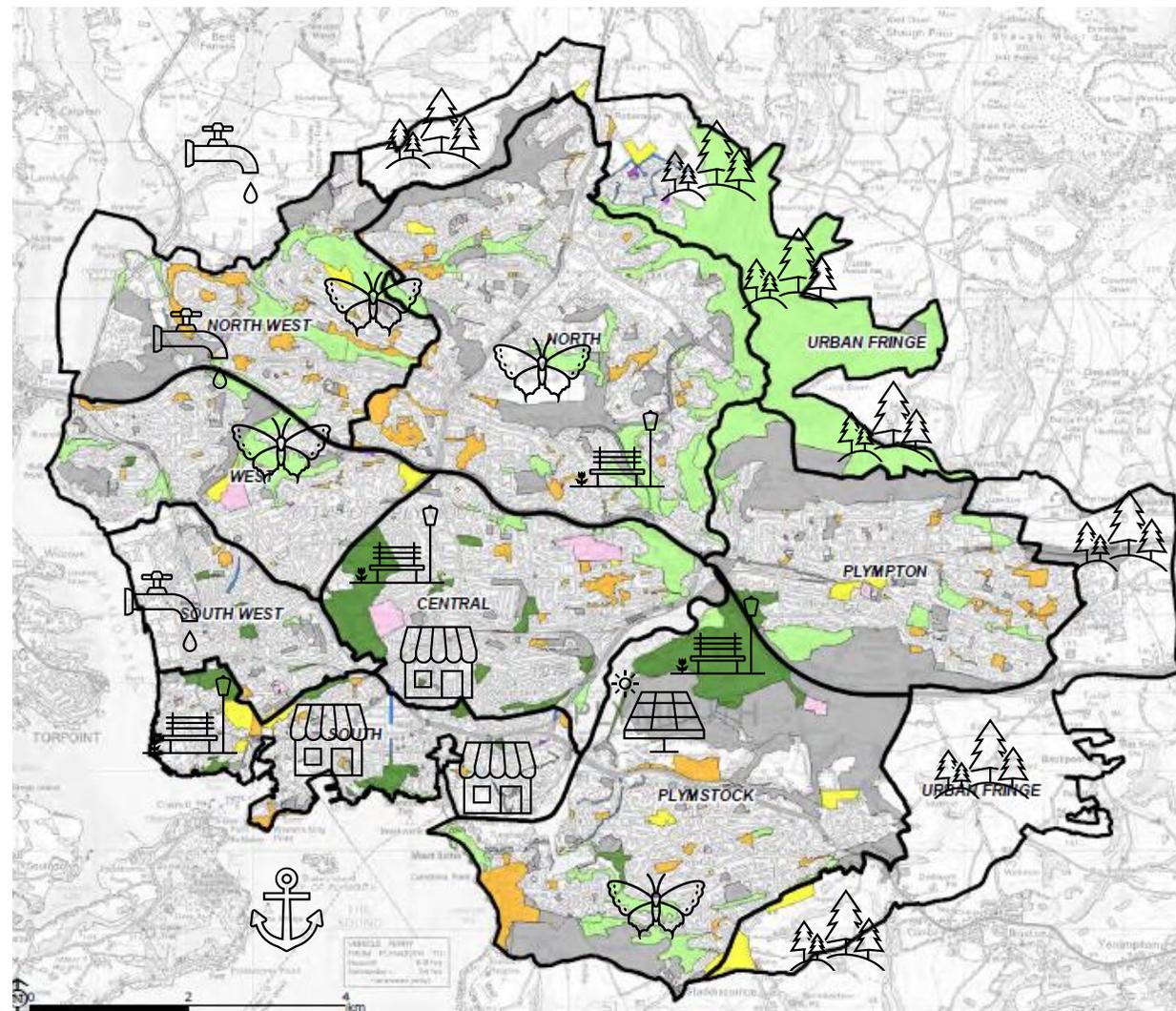


# Opportunity assessment - Strategically Coordinating Opportunities Across Plymouth

Plymouth City Council has been working to unlock investment into parks and open space since 2020 through the Future Parks Accelerator and NEIRF programmes, in partnership with Finance Earth.

Mapping highlighted both **opportunities for nature-based intervention** and **key areas in need of investment to mitigate / adapt to the climate crisis**.

Through this partnership, PCC **identified a number of natural capital-based opportunities, and prospective operating / financing models** through which to unlock them, spanning Plymouth's Green and Blue infrastructure.



# Opportunity assessment - Strategically Coordinating Opportunities Across Plymouth

Funding vehicles and opportunities	Financial scale	SDGs	Carbon reduction	Benefits for PCC Green Estate	
				Job creation	Funding for parks estate
Enterprise Investment Fund	£ → ££	8, 11	● ○ ○	● ● ●	● ○ ○
Multi-Asset Fund	££ → £££	8, 11	● ○ ○	● ● ○	● ● ●
Parks Property Management Vehicle	££ → £££	8, 9, 11	● ○ ○	● ● ○	● ● ●
Habitat Bank Vehicle	££££	11, 13, 14, 15	● ● ●	● ● ○	● ● ●
Carbon Fund	££ → £££	7, 11, 13	● ● ●	● ○ ○	● ● ●
Renewables Fund	£££ → ££££	7, 9, 11, 13	● ● ●	● ○ ○	● ● ●
BID and Blue Bond	£ → ££	6, 8, 11	● ○ ○	● ● ○	● ● ●
Parks Management Vehicle	££ → £££	3, 8, 9, 11	● ○ ○	● ● ○	● ● ●
EIB	£££	11, 13	● ○ ○	● ○ ○	● ● ●

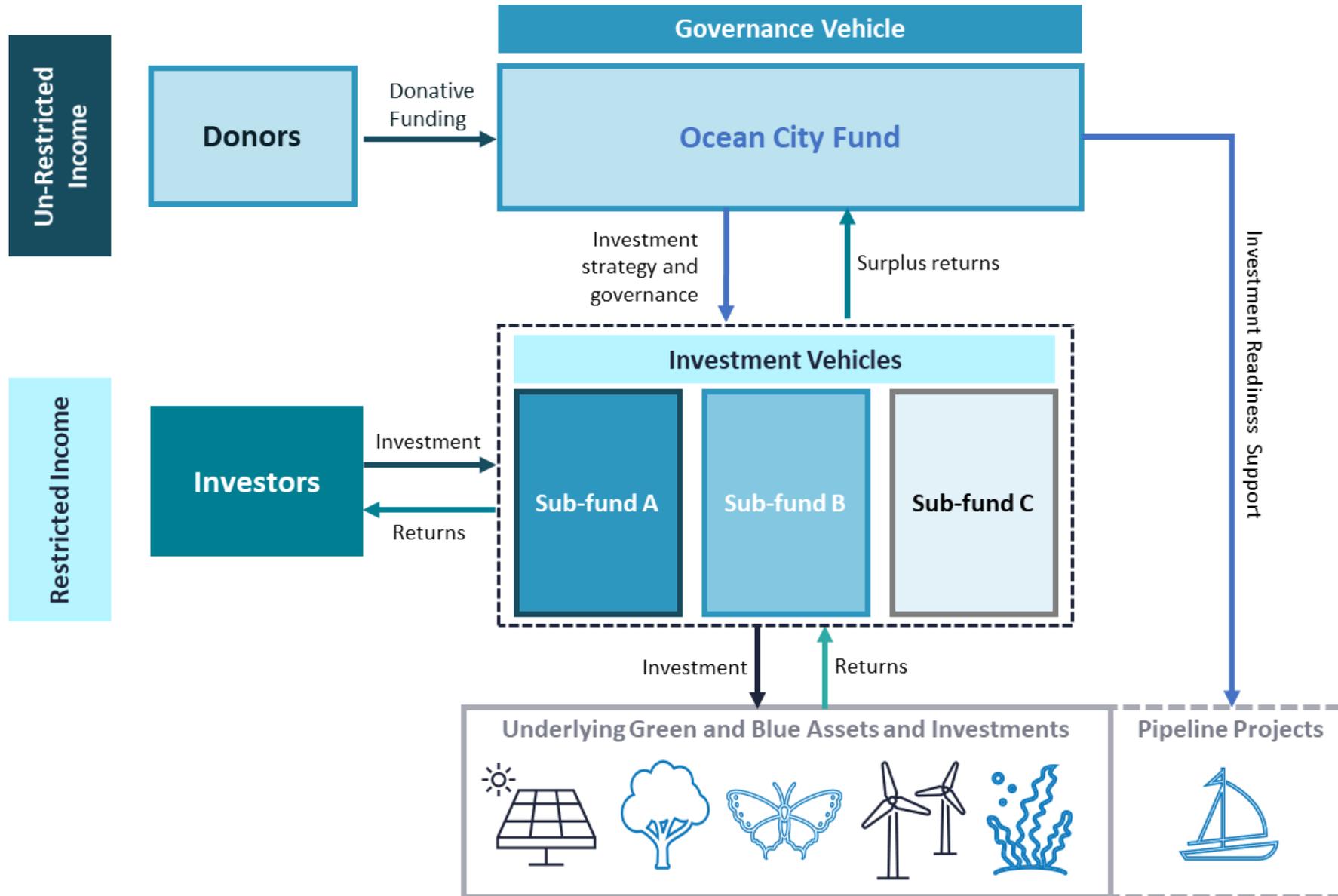
£ <£5 million  
 ££ £5-25 million  
 £££ £25-50 million  
 ££££ £50+ million

 Potential for development

● ○ ○ Less direct benefit  
 ● ● ○ Material direct benefit  
 ● ● ● Significant direct benefit



# Ocean City Nature – enabling growth in Green Finance



# Why a habitat bank?

## ISSUES

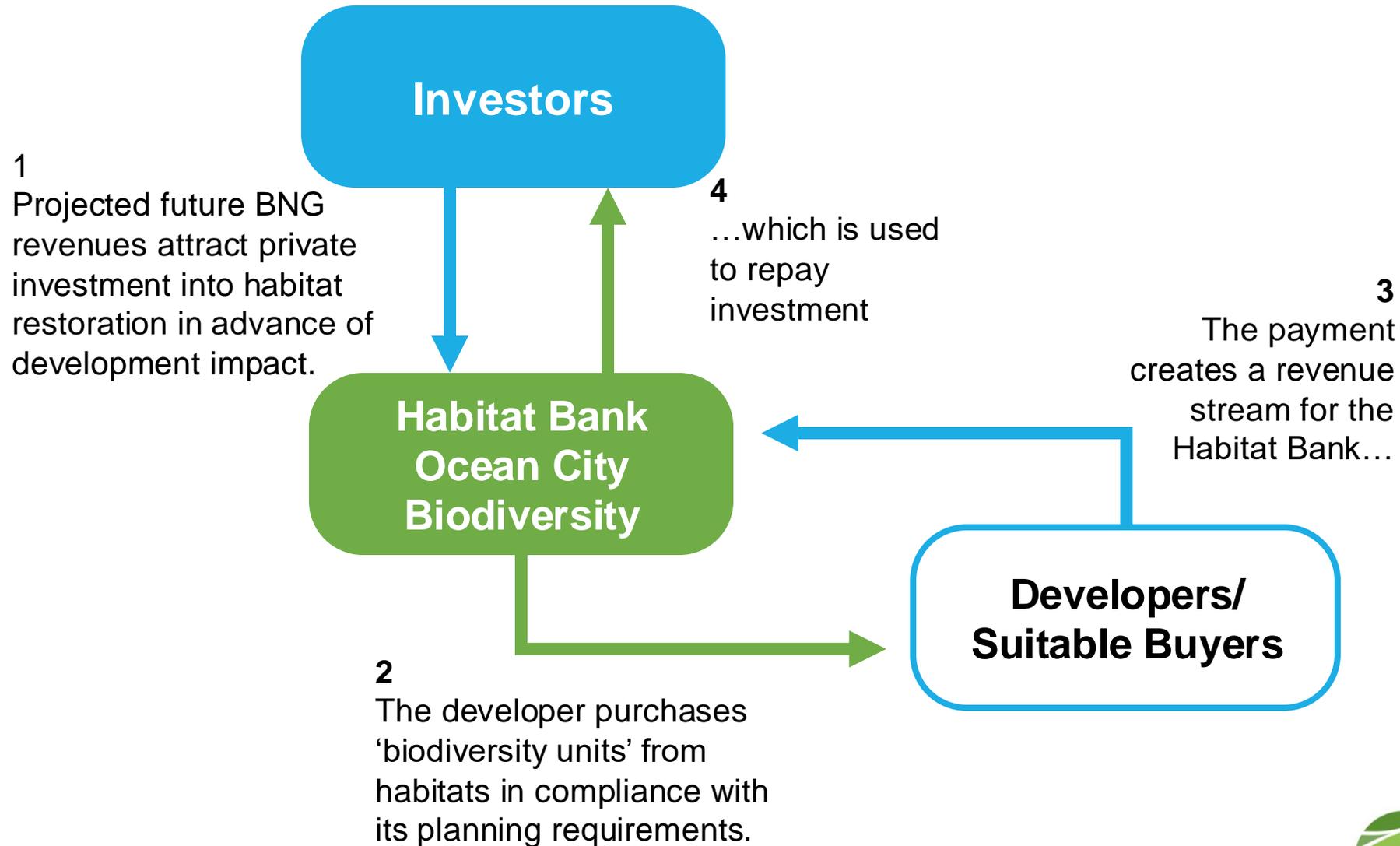
- Budget pressures across the Authority including for maintaining natural spaces.
- Enhanced duty towards natural environment
- Environment Act creates a new market for biodiversity units replacing existing payments for mitigation locally.
- Requirement to maintain habitats enhanced for minimum of 30 years
- Interaction of new BNG duty with affordable housing delivery targets and need

## SOLUTIONS

- ✓ Turning financial liabilities into a self-sustaining, income generating assets over long-term.
- ✓ Supplying biodiversity units captures the income generated for Plymouth's nature and people.
- ✓ Offers more control over site specific biodiversity
- ✓ Credible local offer for developers: providing low friction: high integrity offer for developers



# Habitat Banking model



# Principles



## ENVIRONMENTAL

- Adhere to the mitigation hierarchy.
- Deliver high-quality habitats.
- Maintain and protect long term.



## SOCIAL

- Maintain and enhance equitable public access.
- Account for costs of public access and engagement.
- Mitigate socio-economic distortions.



## ECONOMIC

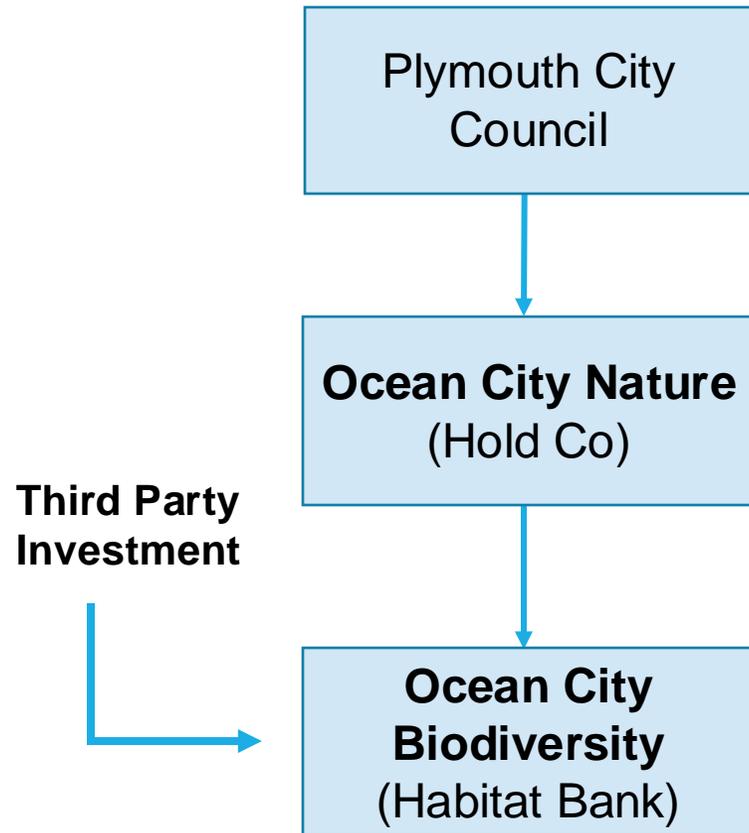
- Provide cost-effective solutions for developers.
- Offer fair returns to investors.
- Support the local restoration economy.



## FOUNDATIONAL PRINCIPLES

- Ensure additionality is achieved.
- Create proactivity, joined-up approach to offsetting.
- Create a robust governance framework.
- Be transparent and accountable.
- Ensure routine monitoring and measurement using clear and measurable metrics.

# Company structure



## Unitary Authority

**Governance role:** Ultimate control over business plan and strategic direction of vehicle.

**Governance Function:** Corporate Management Team

## Company Limited by Guarantee

Strategic vehicle for HBV continuity beyond HBV and other Green Finance Activity. Distribution and reinvestment of surpluses

**Governance role:** Decision making over operational objectives including sign off of sales

**Governance Function:** Board of PCC representatives, supported by economic and environmental stakeholders

Operating and Investment vehicle for three pilot sites.

**Governance role:** Operational only, majority of decisions reserved for HoldCo/PCC. Time limited.

**Governance Function:** Operational board, 3<sup>rd</sup> party Investor representatives.



# Making the business and investment case

**18** months to achieve **3** Executive Decisions

Working group across **5** key Departments

**Nov 21** - Options assessment recommended an arms-length vehicle to act as Habitat Bank.

**Mar 22** - Detail and recommendations of company structure and governance arrangements.

**June 23** - Business Case for investment from PCC to secure £0.5m.

## Key Processes included:

- Familiarisation and explanation of concept of habitat banking to officers and members.
- Scrutiny session (Feb 22) with Governance Committee due to novel and innovative approach.
- Soft testing with known developers – links to development of demand modelling



# What did our supply and demand assessment tell us?

**29 supply sites** were initially assessed - covering **378 ha** of land. Capacity for 780 BUs to be delivered.

This valued the potential revenues across these sites at **£17.548m**.

Now have an additional **33 supply sites** surveyed and to be assessed – covering **354 ha** of land.

**30 demand sites** were assessed - covering **135 ha** of land supporting **530 BUs**.

This valued the potential revenues across this estate in terms of BUs where development could be realised at **£11.925m**.

## Why was this important?

- Gave a **strong illustration of the scale of opportunity** of time in terms of revenues.
- Provided **strong rationale for Business Case** development – demand existed.
- Tied together the fact that a **credible cost-effective Habitat Bank is a positive for a local area and its development aspirations** and targets.
- **Sense checked** that supply and demand would be proportionate each other.

# Business model summary – 30 years

CAPEX		
Item	Costs (Loan)	Costs (External)
Project Development	£99,391	
BU Delivery	£372,476	
Vehicle Development		£61,867
Development Contingency	£28,133	
<b>Total</b>	<b>£500,000</b>	<b>£61,867</b>

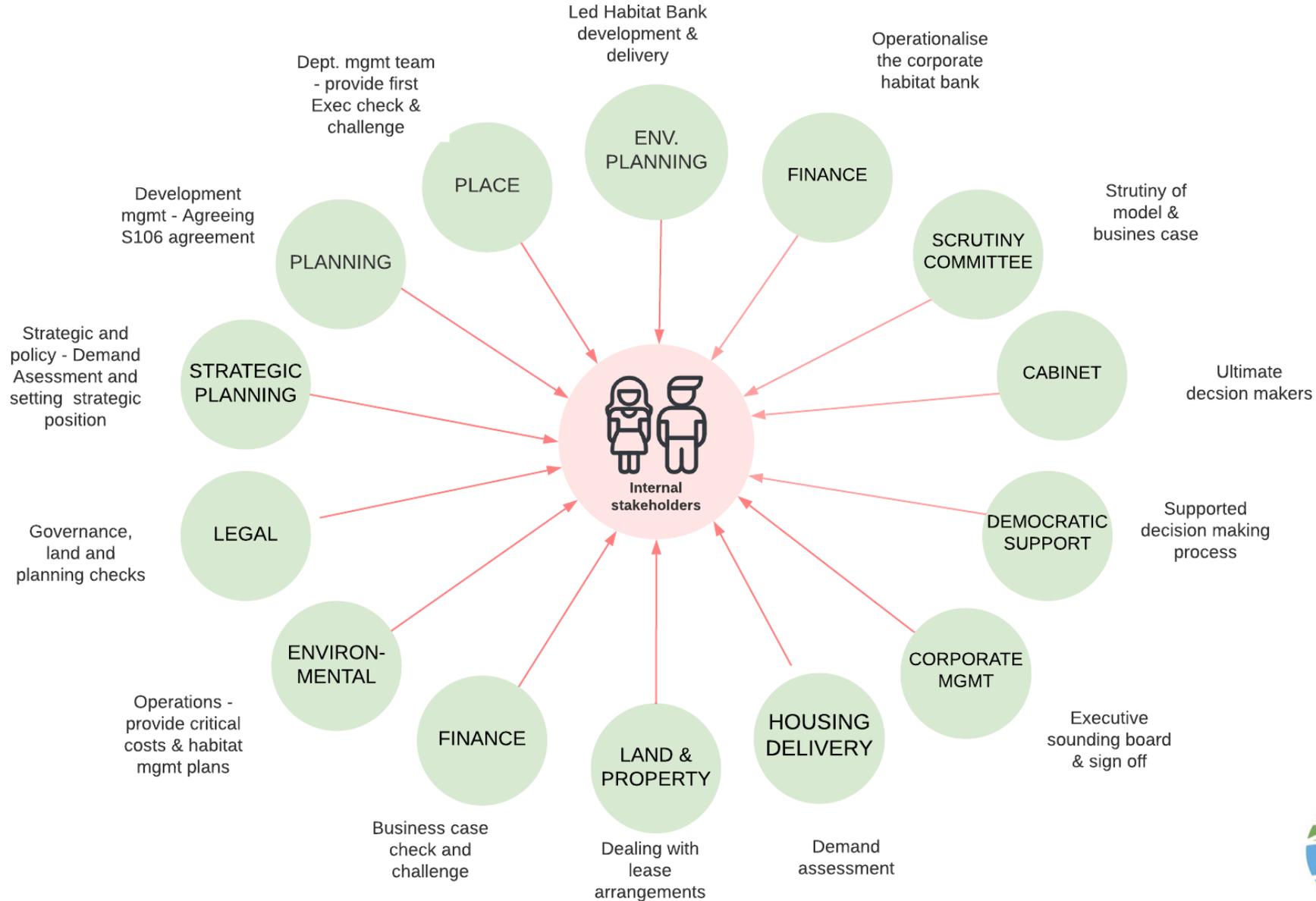
Income generated.	
BU No. 277	@ Average £25,000

OPEX	
Item	Cost
Project Maintenance	£5,014,549
Infrastructure cont.	£427,427
Total Loan Servicing	£703,683
PCC Management	£335,429
External services	£219,293
Insurance and Audit	£313,311
Corporate Tax	£387,321
<b>Total</b>	<b>£7,401,011</b>

PCC is the first 'investor' in the habitat bank, providing £500k through PWLB as a repayable loan to deliver biodiversity units on three sites.



# Internal stakeholders



# Partnerships – People and Communities



*Credit: Chris Parkes Photography*

‘If we are doing it alone, we are doing it wrong’



# key learning and recommendations for success

## Journey length and intensity

- It is easy to underestimate the journey necessary to unlock a new way of working – Green Finance – and the **mindset shift**, training and upskilling required to bring all stakeholders along on the journey
- **Procurement** of external legal and tax advice can be time-consuming, causing delays, start early.

## Stakeholder engagement

- The core project team need a Project **Sponsor** at a senior enough level to influence.
- A wide range of **stakeholders** from internal teams need to be co-opted to reach investment readiness.
- Identify strengths of different stakeholders ensuring **early involvement** to expedite decision making, help build the business case, adapt the project and influence others.

## Building Integrity and Common Purpose

- This model requires a careful balance between public access while delivering the target habitat condition. All activity needs to be **costed accurately** into the delivery model.
- Build **principles** at early stage by consensus as a touchstone for decision making.
- Local Authorities are attuned to place-based priorities and can shape BNG projects to align with city strategy

# What next?

## Ocean City Nature: Just the beginning but by 2030..

- Huge progress innovating in nature-based solutions supporting the city and our people
- Physical interventions – biodiversity gain, SUDs features installed, active travel routes
- Inclusive delivery - new relationship & delivery model
- Career and skills opportunities – expanded and sustainable
- Enhanced 'Pride in Place' with new funding models embedded as BAU
- Enable us to plan and deliver natural infrastructure within equivalent systems as 'grey infrastructure' – a green finance revolution

## Habitat Bank

- Making first Sales – interest from developers
- Work on the ground underway on all 3 sites
- People and businesses in Plymouth value the role of urban nature and recognise the role of OCN



For more detailed information  
Webinar Series –  
[www.futureparksaccelerator.notion.site](http://www.futureparksaccelerator.notion.site)

*Credit: Chris Parkes Photography*

**Contact:**  
**[oceancitybiodiversity@plymouth.gov.uk](mailto:oceancitybiodiversity@plymouth.gov.uk)**



# NATURE & PEOPLE

FOUNDATION



*Sara Eppel*

*[saraeppel@natureandpeople.org](mailto:saraeppel@natureandpeople.org)*

CONNECTING NATURE WITH PEOPLE

# SUMMARY

- **Who we are**
- **The Urban Biodiversity Standard: science, solutions for cities' challenges**
- **Our pilot projects**
- **Generating high integrity Credits**



**NATURE&PEOPLE**  
FOUNDATION

# Nature & People Foundation

*Connecting nature with people.*

## **OUR VISION**

To connect nature with people and build greener infrastructure.

## **OUR MISSION**

To help cities promote and align investment in biodiversity with their social and economic needs.

Nature & People Foundation is an independent, non-profit organization registered and incorporated under the laws of United Kingdom.

# CITIES ARE ON THE FRONT LINE OF CLIMATE CHANGE

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## Extreme weather events

Cities considered “highly exposed” to natural hazards (cyclones, floods, drought, landslides)

58  
%

4.2  
m

## Population health

Premature deaths caused by ambient pollution each year

## Thermal increases

Increase in air temperatures in cities compared to surrounding areas

3-5  
degrees

## Climate risk

The number of people at high or extreme risk from natural hazards due to climate change in urban areas

1.4  
bn

## Economic risk

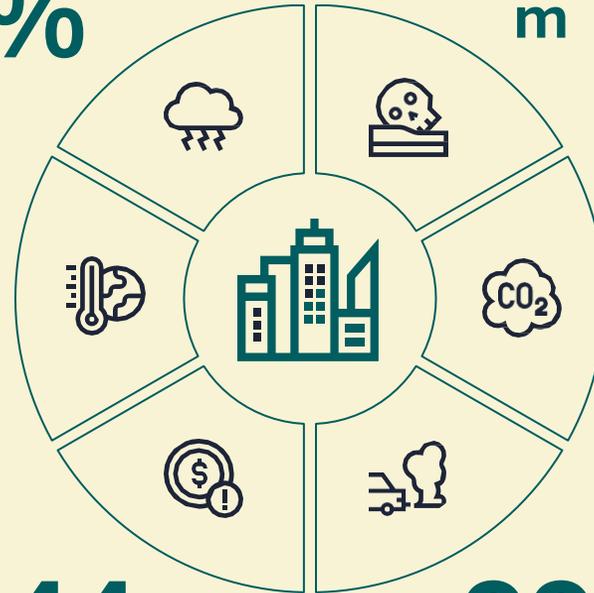
Global GDP from cities estimated to be at risk of disruption from nature loss (WEF)

44  
%

99  
%

## Air pollution

Of the world’s population breathes polluted air



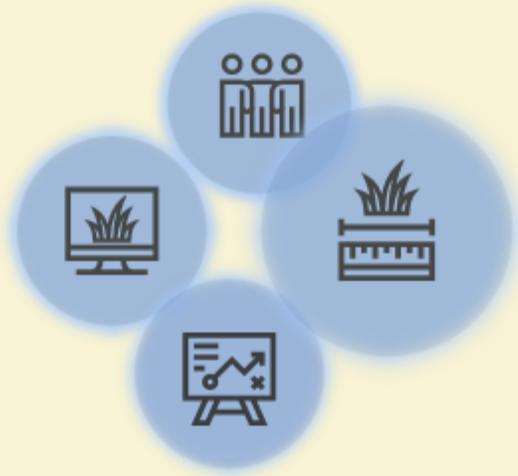


# THE BENEFITS OF URBAN BIODIVERSITY

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- **Improves** air quality
- **Promotes** thermal comfort, reduces “heat island” effect
- **Absorbs and Diffuses** noise
- **Regulates** flooding and runoff, reduces erosion
- **Improves** resilience of city ecosystems
- **Regulates** populations of harmful pests
- **Mitigates** climate change, stores carbon dioxide
- **Reduces** stress, promotes physical and mental health

Urban Biodiversity Credits help cities deliver against Global Biodiversity Framework targets 11 and 12, and the Sustainable Development Goals



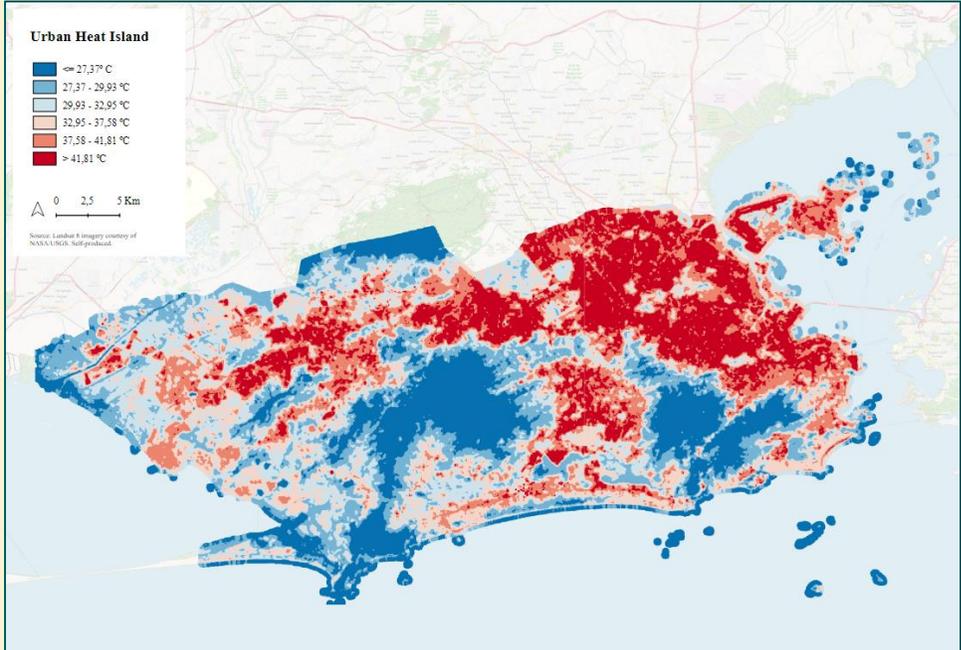
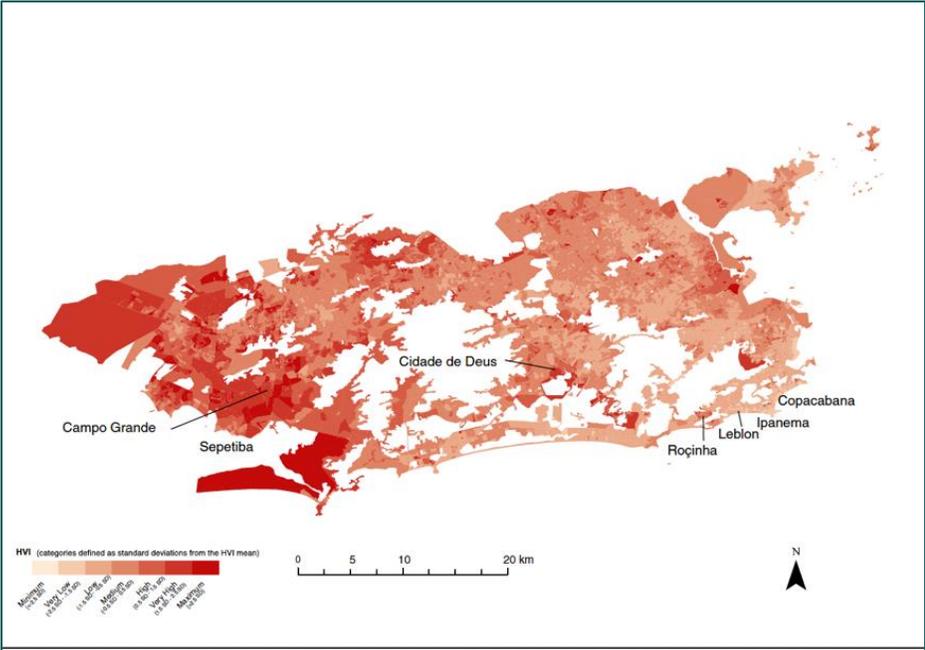
## THE DATABASE

- Includes the metabolic capacities of the majority of the most common species in cities.
- Demonstrates how different species deliver different ecosystem services.

## THERMAL AND RADIATIVE COMFORT

Species	Height (m)	Shading Area (sq mts)	T <sup>a</sup> Decrease (%)	Increase of HR (%)	UVA Attenuation (%)
<i>Aesculus hippocastanum</i>	8	28,20	33,33	20	76,47
<i>Brachychiton aceryfolium</i>	8	23,01	33	39,7	72,41
<i>Casuarina equisetifolia</i>	12	14	26,89	25,8	85,11
<i>Catalpa bignonioides</i>	8	79,26	31,76	40,2	95,13
<i>Olea europea</i>	7	34,71	24,12	22,9	92,96
<i>Pyrus bourgeana</i>	6	33,75	30,03	26,4	69,3

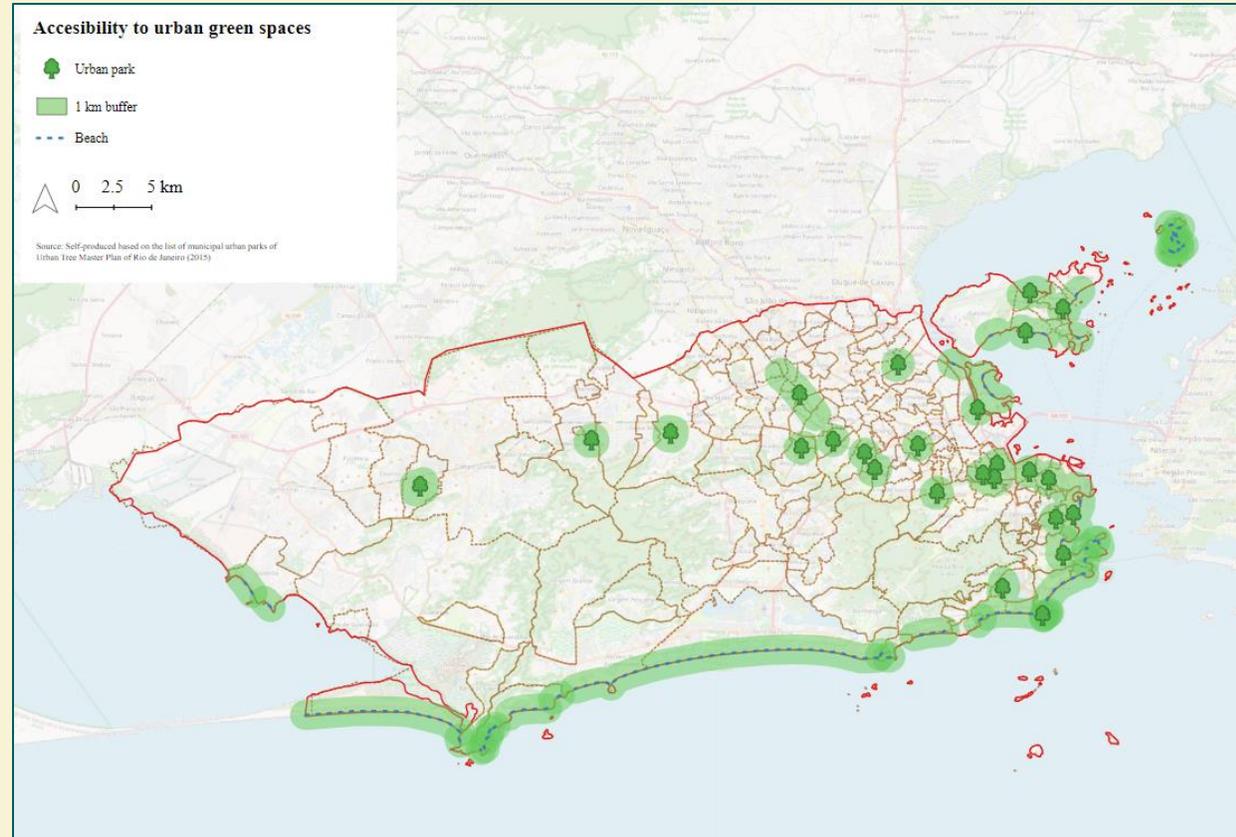
# RIO DE JANEIRO'S PRIORITY: TACKLING EXCESS HEAT



**Two studies of the heat island effect in Rio show northern and western parts of the city suffer higher incidences of mortality and morbidity\* during heat waves**

*\*Health Effects of Heat Vulnerability in Rio de Janeiro: A Validation Model for Policy Application.' Diogo Prosdocimi; Kelly Klima  
CAPA Strategies "Heat Watch Report, Rio de Janeiro"*

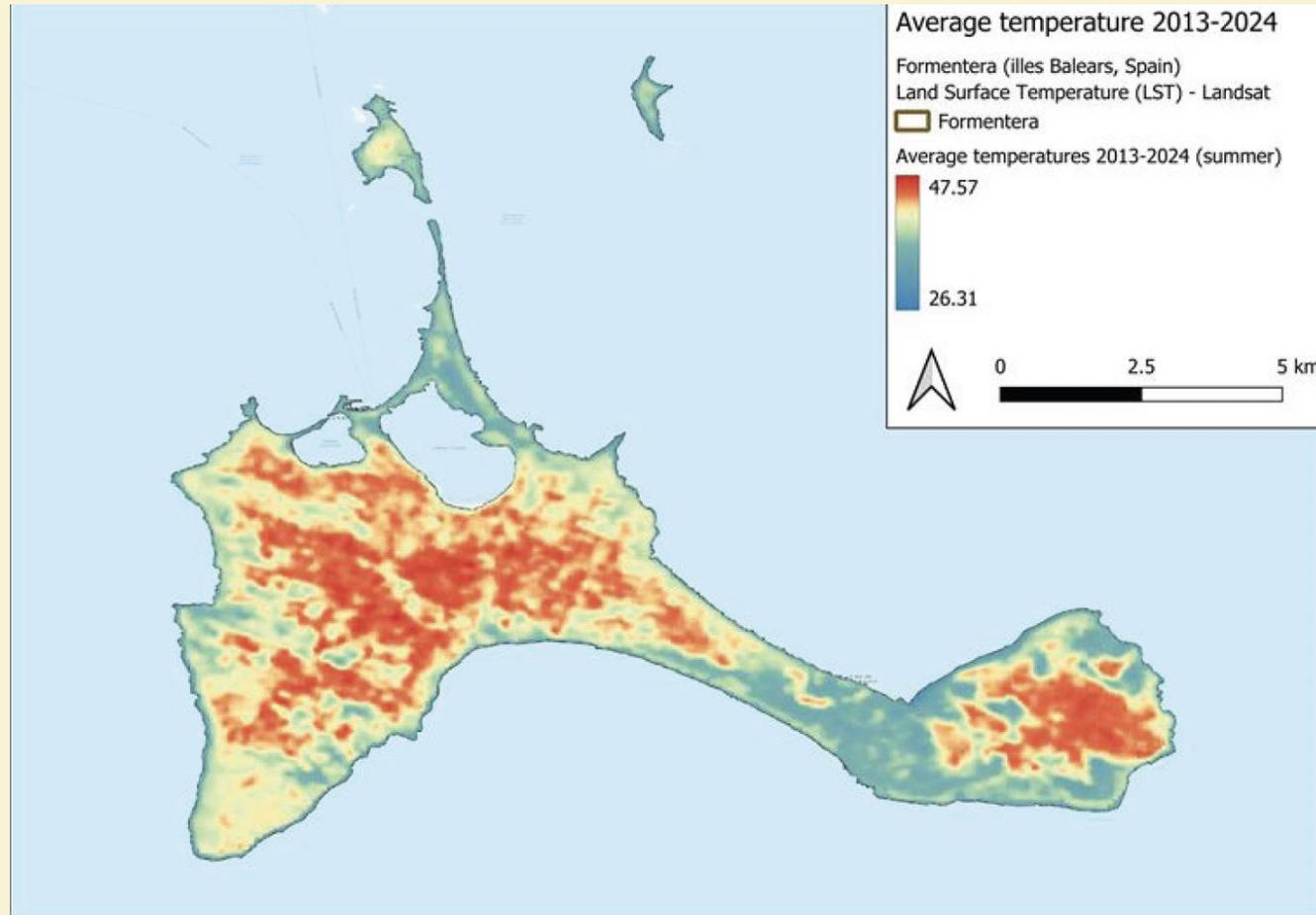
## RIO DE JANEIRO'S PRIORITY: TACKLING EXCESS HEAT



**Current green spaces are concentrated in the south.  
Rio Prefeitura's ambition is for 25 new parks in the city in areas of social deprivation.**

**New parks will offer shade, wellbeing and thermal comfort.**

## ISLAND OF FORMENTERERA'S PRIORITIES: EXCESS HEAT; SUSTAINABLE TOURISM



**More species-specific vegetation will reduce heat, provide shade and thermal comfort.**

**A greener island will improve local communities' and tourists' experience.**

## NAIROBI CITY COUNTY'S PRIORITIES: FLOOD PREVENTION AND REDUCING AIR POLLUTION



**Both priorities can be tackled by planting the right species of trees and shrubs**

Source: Reuters



*Extensive field and laboratory research is undertaken to assess the ecosystem services delivered by indigenous trees*

**Annual CO<sub>2</sub> absorption**

Is measured in a controlled chamber

**30 individuals of each tree species measured**

Height, crown width, area, DBH, leaf area and index, light extinction

**Pollutant capture**

In a controlled chamber the tree's ability to absorb NO<sub>2</sub>, NO, CO, SO<sub>2</sub>, PM<sub>10</sub>, PM<sub>2.5</sub> is measured



**Leaves scanned**

To measure surface area and biomass

**Water use efficiency**

At a range of temperatures is measured

**Thermal tolerance, and thermal comfort**

Tolerance of each species is measured, and thermal comfort for humans in project area



Tree species perform different ecosystem services and deliver different benefits

NB. local species are analysed

JACARANDA  
*(Jacaranda mimosifolia)*

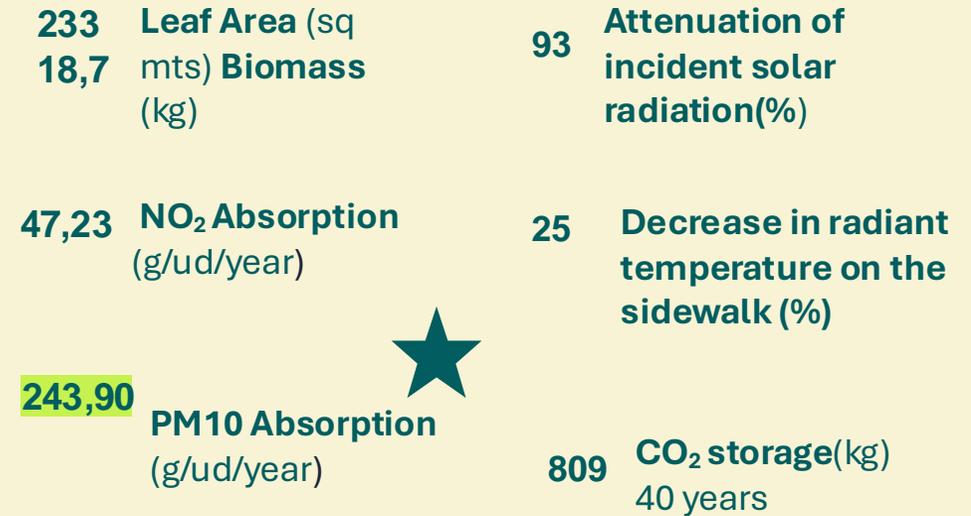


HEIGHT: 9 M

LONDON PLANE  
TREE  
*(Platanus hispanica)*



HEIGHT: 10 M



Key: ecosystem strength: ★

# TREE SPECIES BEING TESTED THIS MONTH FOR RIO PILOT PROJECT *e v e r T r e e*

Parque Piedade & Parque Oeste	Temperature reduction (%)	Humidity increase (%)	UVA and UVB+C attenuation (%)
<i>Terminalia catappa</i>	33,33	20,00	76,47
<i>Senna multijuga</i>	29,30	28,39	80,84
<i>Schinus terebinthifolia</i>	27,66	23,80	92,40
<i>Libidibia ferrea</i>	29,30	28,39	80,84
<i>Cenostigma pluviosum</i>	32,16	30,40	77,80
<i>Magnífera índica</i>	30,20	28,20	79,92
<i>Cariniana legalis</i>	18,11	25,40	91,50
<i>Handroantus heptaphyllus</i>	30,20	27,80	99,37
<i>Eugenia uniflora</i>	34,24	35,30	63,27
<i>Syagrus romanzoffiana</i>	34,20	42,60	76,40

## IMPORTANT FACTORS

- **thermal resilience**
- **drought tolerance**
- **root development**
- **crown size**
- **presence in the parks under study**
- **presence and frequency of the species in the city**

***Choice of tree and shrub species is key, to optimize the ecosystem services that they could provide.***

# Using the Standard to generate Credits

*(Consultation on the Standard starting shortly)*

- 1. Stakeholder Engagement and Assessment of Social Needs and Opportunities** thermal comfort, air quality, climate, surface water flooding, erosion, health
- 2. Baseline mapping and measurement** tree and shrub species stock, range of biodiversity and resilience
- 3. Tree testing and biodiversity selection** To deliver ecosystem services needed + adaptation and resilience to climate change. Influenced by ecological history of the land
- 4. Urban Biodiversity Credits** increase of biodiversity and ecosystem services.

***If biodiversity is not maintained, no Biodiversity Credits are generated.***



Annually three measurements of tree :

- **Diversity**
- **Abundance**
- **Resilience**

Annual improvement in 100m<sup>2</sup> of vegetative coverage =

**1 Biodiversity Credit**

(ecosystem services value is integrated into the price of the Credit)

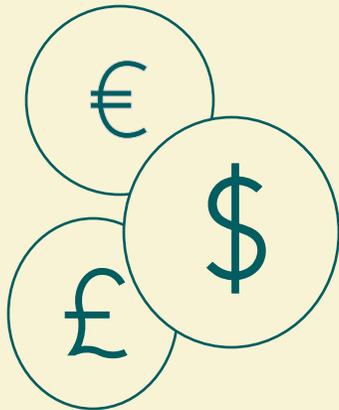
**OR 1 Ecosystem Services Credit**

**Monitoring, Reporting and Verification** measures growth and habitat change:

- satellite
- local monitors (for Diameter at Breast Height),
- bioacoustics (for pollinators, bats, birds),
- camera traps (mammals).

All data on blockchain. Independent 3<sup>rd</sup> party verification.

In areas of deprivation a **Social Seal** is awarded.



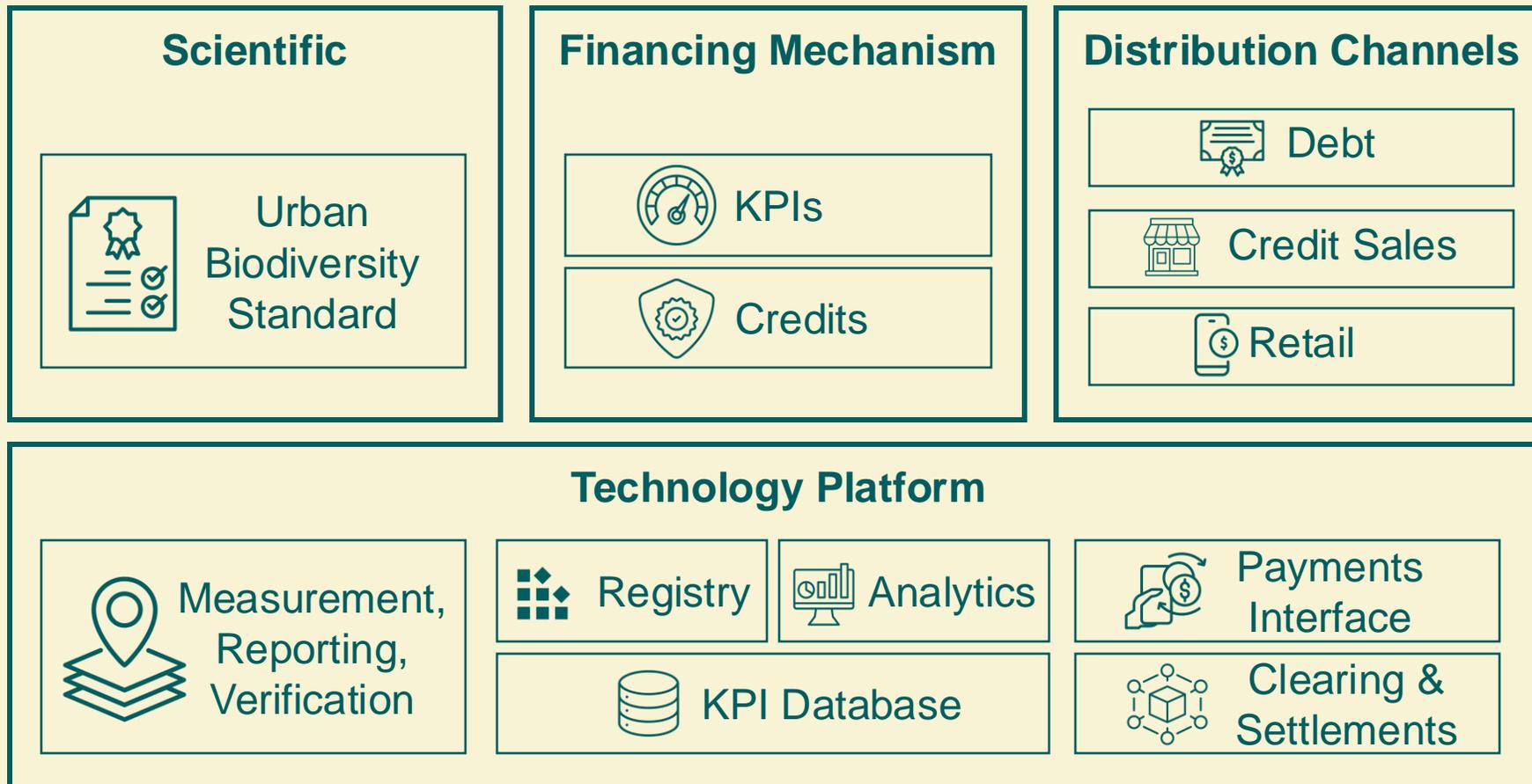
## Credits as an income source for cities

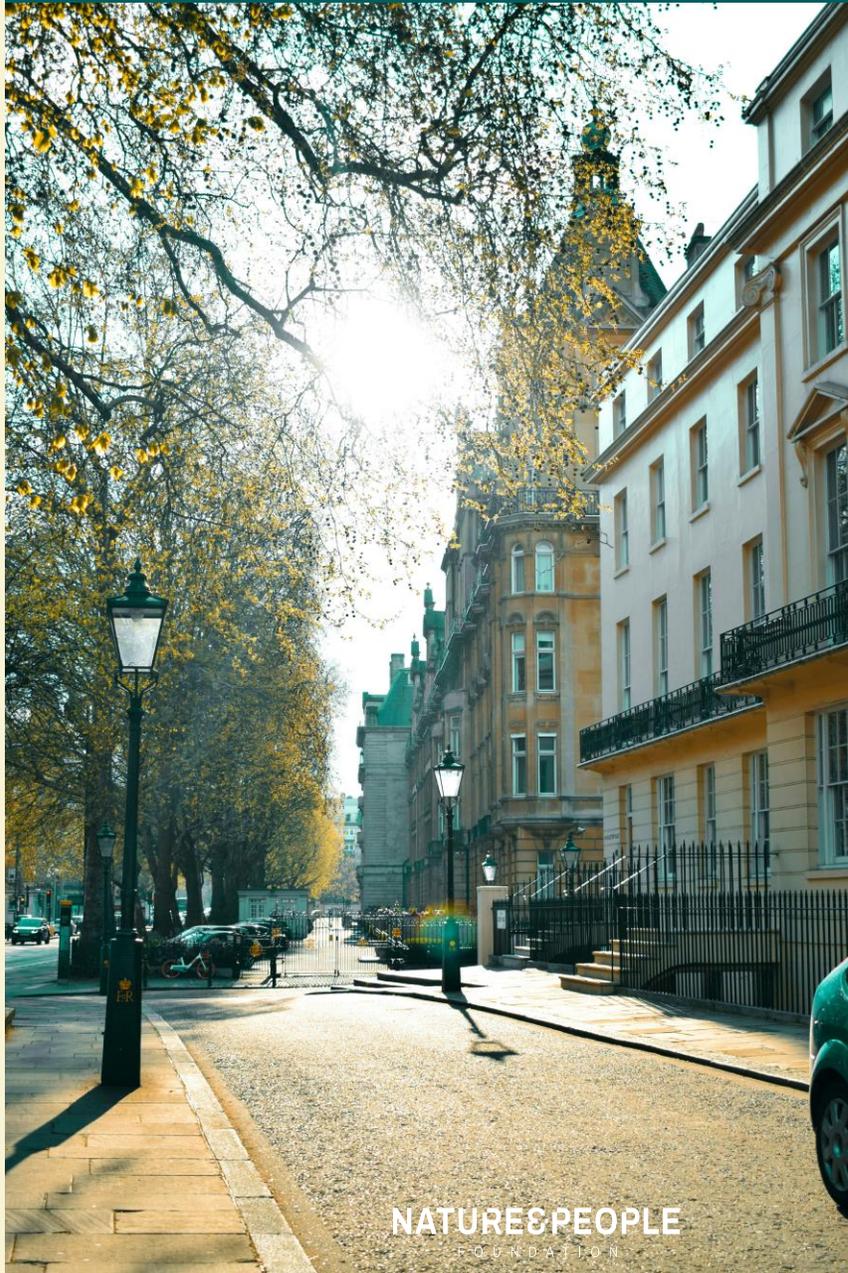
- **Sales** of credits: local businesses licence to operate, ESG reasons, pension funds, impact investors, social tokens, individual citizens
- **Swaps:** debts to Multi-lateral Development Banks could be retired in exchange for Credits
- **Substitution:** Credits (i.e. the cash equivalent sold forward via an interest-rate swap) are used in exchange for paying interest on a debt.
- **Security:** the proceeds of credit sales can be used to secure financing on superior terms than unsecured borrowing
- **Sustainability-linked finance:** the Credits' measurement, reporting and verification systems can generate KPIs which, if achieved, could allow for additional borrowing relief
- **Savings vehicle:** Governments could create retail products, whereby savers in a Government saving scheme receive a Credit

# SUSTAINABLE FINANCING PLAN - POSSIBLE OPTIONS FOR CITIES



## Building blocks to design the optimal financing strategy





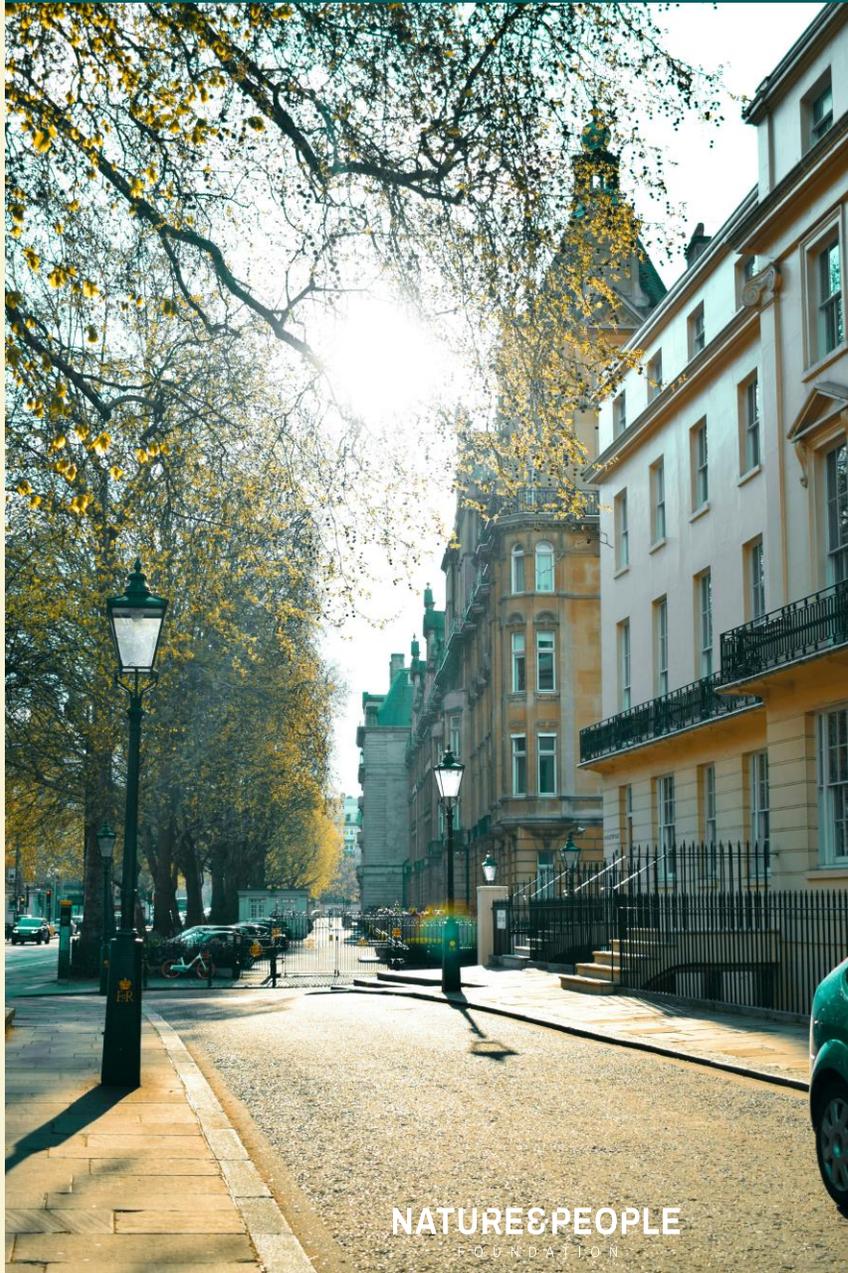
## PILOTS

**Urban Biodiversity Standard** for cities, peri-urban areas and islands.

Pilots:

- **Rio de Janeiro** (underway)
- **Formentera** (underway)
- Nairobi (starting)
- Seville (starting)
- Manaus (in discussion for COP30)

*Expressions of interest from cities  
welcome*



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# Panel Discussion

Please use the Q+A feature to ask your question.



A woman with long, curly hair, wearing a denim jacket and a red patterned dress, stands on a decorative white metal bridge in a lush green park. The bridge has ornate railings. In the background, there are many trees and other people walking. A blue banner with white text is overlaid on the top left of the image.

# Thank you!

**Sign up to the mailing list** to be the first to hear more information about the programme including resources and events via the website: [naturetownsandcities.org.uk](https://naturetownsandcities.org.uk)

If you want to get in touch, please email [info@naturetownsandcities.org.uk](mailto:info@naturetownsandcities.org.uk)